

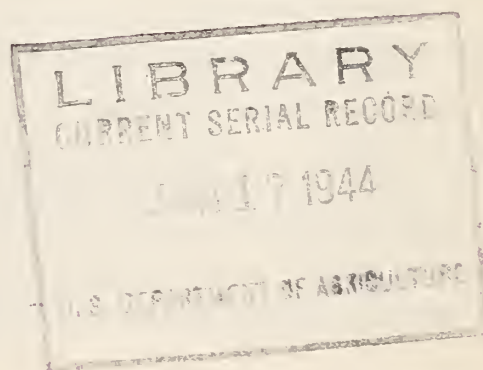
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MARKETING ACTIVITIES

December 1943



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PENICILLIN AND THE DAIRY INDUSTRY

By Dr. Harold F. Hollands Page 3

Penicillin, the wonder medicine, is of interest to everybody. But it is of special interest to the dairy industry--or at least it should be. In a roundabout sort of way, the increase in penicillin production may mean a good market for one of the dairy industry's by-products.

THE RAILROADS AND OUR FOOD

By W. C. Crow Page 7

Don't mutter when a long string of freight cars stops your automobile at a grade crossing. Many of those cars are chock-full of the food you will be eating a few days hence. Without the railroads--well, you'd really have a food shortage on your hands.

THOSE RUMORS ABOUT DRIED EGGS

By W. D. Termohlen Page 13

After making a long trip to England by Clipper plane, W. D. "Dewey" Termohlen has an authoritative background for telling you that it ain't so what people are saying about our dried eggs. The British like them and would cheerfully welcome more.

THE PAPER SHORTAGE

Marketing Activities will reach you from now on naked; that is, in no envelope. That will save a considerable amount of paper.

To save still more paper, we are trying to make sure that every person on our mailing list is making some use of this publication--reading it, passing it on to others, abstracting material for republication, etc. If you are *not* making some use of the publication, please let us know immediately. We will take your name off our list.

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Address all inquiries to
Harry W. Henderson
Editor, Marketing Activities
Food Distribution Administration
Washington 25, D. C.

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PENICILLIN AND THE DAIRY INDUSTRY

. . . By Dr. Harold F. Hollands

When Dr. Alexander Fleming discovered penicillin at the University of London in 1929, he gave medical men their most effective weapon against a number of diseases--especially septicemia and gonorrhea. Now, it appears, he also gave our dairy industry an opportunity to expand output of one of its products and thus make more efficient utilization of existing milk supplies.

The mold *Penicillium notatum*, which secretes the substance we call penicillin, grows in a culture of lactose or milk sugar. With production of penicillin now only a small fraction of what it ultimately will be, the demand for lactose undoubtedly is scheduled for a very sharp increase. A considerable increase in demand already is apparent.

In 1942 approximately 7.5 million pounds of lactose were used in the United States--about 3.2 million pounds in baby foods; 2.4 million in "pharmaceuticals"; and the remainder in various miscellaneous food and non-food products.

In 1944 it is estimated that about 5.0 million pounds of lactose will be required in the manufacture of penicillin alone. Total demand for all uses is estimated at a minimum of 12.5 million pounds and might be as high as 14.0 million.

Enough Lactose?

That raises the important question: Will we have enough lactose for essential needs?

New processing plants are being installed and it is expected that total production in 1944 will be about 10.5 million pounds--leaving a deficit of at least 2.0 million pounds. The Food Distribution Administration is considering various methods to assure the best use of available supplies and has requested the National Research Council to investigate the various uses of lactose and to establish a list of priority uses.

Lag in the production of lactose is expected to only temporary, however, since potential sources have not been utilized to their fullest extent. In 1942, about 1,365,000,000 pounds of whey were a by-product of casein manufacture. On the basis of a 2½ percent yield of U. S. P. lactose, the potential supply from this single source of whey is about 35 million pounds. This is well over twice the estimated need for 1944.

There is also the possibility that quantities of unused whey resulting from the manufacture of cheese could be used for lactose. The process of making lactose from cheese whey is relatively simple and could be set up in many cheese factories which do not have a commercial outlet for whey at the present time.

It is possible that some other culture medium with properties superior to lactose might make its appearance; science is exploring every possibility for increasing output of penicillin. But the way it looks now, the use of lactose in the preparation of penicillin is a development the dairy industry should watch with keen interest.

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HENDRICKSON TO TAKE

UNRRA JOB JANUARY 15

Roy F. Hendrickson, now Director of the Food Distribution Administration, has been named Deputy Director General in charge of supplies for the United Nations Relief and Rehabilitation Administration. He will assume his new duties January 15.

As Deputy Director General of UNRRA, Mr. Hendrickson will be in charge of the supply program on food, clothing, medical supplies, equipment, and other materials. He will be responsible for ascertaining requirements and bringing such requirements to the appropriate allocation, procurement, and transportation agencies of the supplying nations. Hendrickson also will be responsible for developing agriculture rehabilitation activities in liberated areas complementing the supply program.

Mr. Hendrickson was born at St. Ansgar, Iowa, December 29, 1903, was educated at St. Olaf College, Northfield, Minn., and engaged in newspaper editorial and executive work--much of it with the Associated Press at St. Paul and Washington, D. C.--before entering the Government service in 1933.

Hendrickson became assistant to the director of the Division of Subsistence Homesteads in the Department of Interior in November, 1933; in 1934 he joined the staff of the Assistant Secretary of Agriculture; in 1936 he became Director of Economic Information for the Bureau of Agricultural Economics; in 1938 Director of Personnel for the Department of Agriculture; in 1942 Administrator of the Agricultural Marketing Administration and later the same year Director of the Food Distribution Administration.

Mr. Hendrickson's successor as Director of the Food Distribution Administration has not yet been named.

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Approximately 230,000 cases of canned apples from Government-owned stocks are being offered for resale by the Food Distribution Administration to the canners who originally packed them for the Government. In view of the fact that the demand for fresh fruit is in excess of this year's production, the release of canned apples will help ease the present shortage and should in no way disturb market conditions.

MEAT ALLOCATIONS FOR 1944 ANNOUNCED

About 67 percent of the estimated allocable supply of about 25½ billion pounds of meat in 1944 has been earmarked for U. S. civilians. This allocation will allow about the same per capita civilian meat consumption in 1944 as in 1943--approximately 132 pounds per capita for the year on a dressed weight basis, compared with the pre-war 1935-39 average of about 126 pounds.

On the basis of the present tentative allocations, U. S. military and war services are to get about 17 percent of the total allocable supply of meat.

Our allies, other friendly nations, the Red Cross, and U. S. territories are to get about 12 percent. This 12 percent is divided in the following way: Great Britain, including overseas forces, 6 percent; Russia, 4 percent; other allies and liberated areas, about one percent; U. S. territories, about one-half of one percent. Most of the meat for our allies will be pork.

Because both supplies and needs shift rapidly in wartime, about 4 pounds out of each 100 pounds of the total supply is allocated for contingency reserves. This 4 percent, however, also may serve as a margin to allow for adjustment between estimated and actual production. These reserves are not allocated to any group and may be used where they will serve best in the war effort.

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FARM PRODUCT PRICES UP 5 POINTS IN MID-DECEMBER

Prices received by farmers for farm products advanced 5 points as prices paid by farmers rose 1 point during the month ended December 15. At 197 percent of the August 1909-July 1914 average, the farm product price index was 19 points higher than a year earlier and, with the exception of 1918 and 1919, was at the highest December level on record.

The index of prices paid, interest, and taxes advanced from 167 percent of the 1910-14 level in November to 168 percent in December and with the prices received index sharply higher, farm product prices averaged 117 percent of parity. This ratio, which is a fairly satisfactory indication of farmers' purchasing power, was 115 last month and 114 in December a year ago.

Advances in the price indexes for fruit, grain, cotton, dairy, and miscellaneous products were more than sufficient to offset downturns in eggs and truck crops. All major groups of farm product prices, except meat animals and trucks crops, were much higher than a year ago.

POULTRY STORAGE STOCKS FROZEN

The War Food Administration today set aside freezer stocks of chickens and fowl (hens) for purchase by the armed forces, the War Shipping Administration, and certain other governmental agencies to alleviate the shortages of chicken meat experienced during most of the past year by the war services and military hospitals.

Chicken is a part of the Army's master menu for Sunday "chow" at least twice a month, and a vital part of the diet in military hospitals. It has been served much less often in the past, however, because procurement agencies, buying for all the armed forces, have for months at a time been unable to obtain more than 20 percent of actual requirements from vendors and holders of storage stocks.

At the rate of chicken procurement existing in 1943, WFA and QMC officials believe that without this set-aside order, the agencies buying for the armed forces would fail to fulfill their requirements by at least 70 million pounds. On such a basis, they point out, only an occasional meal of chicken could be served. As a result of this "freeze" order, WFA and QMC officials hope that enough chickens can be obtained to provide chicken dinners for the armed forces at fairly regular intervals throughout the January 1-June 30, 1944 period.

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HOG PRICE SUPPORT ADJUSTMENTS SEEN

Adjustments in hog support prices, which have been in effect in numerous markets during December, will be continued until further notice, with minor exceptions.

These prices are extended into 1944 through Amendment 9 to Food Distribution Order No. 75, which also provides further adjustments in five markets. Support prices for Louisville, Ky., and Cincinnati, Ohio, are increased by 10 cents, and prices are adjusted downward by 15 cents for Springfield, Mo., 10 cents for Amarillo, Texas, and 20 cents for certain counties of Eastern New Mexico.

The amendment, which became effective January 1, also provides that at any market other than those at which adjustments of the support level have been announced, the support price shall be \$1 per hundredweight below the maximum price in effect at such markets on November 29, 1943, under regulation of the Office of Price Administration.

Class 1 and Class 2 slaughterers are required to pay not less than the designated support prices for good to choice butcher hogs (barrows and gilts) within the weight range of 200 to 300 pounds.

THE RAILROADS AND OUR FOOD

. . . . By W. C. Crow

Hitler would like to have a railroad network half as good as ours. His rail system was poorer than ours to begin with, and Allied bombings as well as sabotage by patriots of occupied areas have made an already bad situation much worse. But it is going to take cooperation on the part of us all--including those of us who use the railroads' facilities for the transportation of food--to keep a jump ahead of Der Fuehrer.

Our railroads today are hauling more of all that gets hauled than ever before in their history. According to a report of the Special Committee Investigating the National Defense Program--the Truman Committee--the railroads in 1939 handled about 62 percent of total intercity ton-mile freight traffic; this year they will handle about 72 percent. In 1939, the railroads handled about 9 percent of total intercity passenger traffic; this year they will handle 31 percent. These figures indicate clearly the extent to which we are placing increasing dependence on the railroads as we run into difficulties with other forms of transportation.

Increase in Railroad Traffic

While these figures indicate a shift to railroad transportation, they do not show fully the job the railroads are doing. To get the complete picture, let's look at another set of figures from the Truman Committee report. In 1939 the railroads hauled 336 billion ton-miles of intercity freight; in 1943 they hauled 732 billion ton-miles. In 1939 the railroads handled 24 billion passenger-miles of intercity traffic; in 1943 their passenger hauling totaled 87 billion miles.

That is the over-all freight and passenger situation. What we are concerned with right now, however, is the way the railroads tie into the wartime food program. For, more than we realize, the railroads play a big part in such matters as whether we have grapefruit for breakfast, whether the soldiers at Fort Bragg will have rations for next month's maneuvers, or whether the *Kuibishev*, Russian tanker docked at San Francisco, can be loaded with vegetable oil on time. Thus far the railroads have "come through."

Handling the Northwest's 1943 grain crop is a good example. Faced with that region's heaviest crop since 1927, the railroads moved to market about 30 percent more chock-full cars of grain in 1943 than in 1942. They did this job at the transportation year's peak, and also maintained a car supply sufficiently large to enable 70 percent of the grain elevator operators in Minnesota, North Dakota, South Dakota, and Montana to handle all grain offered on a current basis.

Then there was the potato situation in Maine this past fall. Storage was lacking for about 22 million bushels of potatoes and it was

a case of getting them moved farther south before cold weather set in or watching them freeze. The War Food Administration asked the Association of American Railroads for help and the Association responded by ordering empty box cars to producing areas while the weather was still warm and refrigerator cars when temperatures began to reach the danger point. The potatoes were moved. It should be mentioned, too, that the railroads made some generous concessions in providing for storage in transit that helped very much in the movement of this food.

Yes, the railroads are doing a good job and up to now they have done it with far fewer facilities than they had in 1929--the previous transportation peak. On November 1, 1943, as compared with November 1, 1929, the Class I railroads, operating about 95 percent of the total railroad mileage in the United States and earning about 97 percent of the total revenues, were using and employing:

- 1,749,201 freight cars, or 23 percent fewer.
- 20,783 passenger cars, or 31 percent fewer.
- 41,987 locomotives, or 26 percent fewer.
- 1,355,298 employees, or 20 percent fewer.

How have they been able to do it?

Large Expenditures

For one thing, the railroads have benefited from large expenditures made during the pre-war years for cut-offs; for grade and curve reductions; for stronger bridges, heavier rails, larger and more efficient locomotives, larger and stronger freight cars, and soon. The public may not have been aware of it, but since the last war the railroads have spent more than 28 times the cost of the Panama Canal for additions and improvements.

Trains roll faster, on the average, than they did before the war. Part of this can be explained by the improvement in equipment. But the human element is far more important. When a railroad has the job of moving 20 cars of dressed poultry from Kansas City to Chicago, say, to make connections east, north, or south--that poultry generally gets there on time. The division superintendents put it up to the trainmasters and the trainmasters put it up to the engineers. "Make the fastest run possible consistent with safety," they say, and the engineers open the throttle wide.

Cars are being loaded heavier than ever before. Government agencies and shippers are trying constantly to get the maximum use out of every freight car by loading the car to the limit of its capacity wherever possible and practicable. As a result of this effort, the average car load in the period 1939-43 has been increased from about 36 tons to 41 tons. If they had loaded no more freight in each car in 1943 than they

loaded in 1939, the railroads would have required approximately 150,000 more freight cars than they had for handling the 1943 traffic.

Before the war, most of the transcontinental traffic moved east-bound. The reason for this is simple: A sizeable percentage of our consuming population is in the East and the big bulk of what those consumers use comes from the West. The war has brought many changes in the situation. With our large concentration of war activities in the Pacific area, the empty west-bound movement has been substantially reduced. Through efforts of the Office of Defense Transportation, the Interstate Commerce Commission, the Association of American Railroads, and the railroads themselves, every car that can carry a load on its return trip is loaded regardless of ownership. As a result of this effort and the relaxation of rules governing the return of empty cars to their home railroads, the ratio of empty car mileage to loaded car mileage has been materially reduced.

The railroads are cooperating among themselves--and in unheard-of ways. Often one line deliberately diverts revenue traffic to another line, if the diversion means less total waste of transportation. Hundreds of locomotives have been lent when they could be spared. Such cooperation is helping immeasurably in getting the hauling job done.

Warning from Eastman

But . . . there is a limit to what the railroads can do by themselves. As Joseph B. Eastman, Director of the Office of Defense Transportation, warned recently: "For the first time since Pearl Harbor the railroads are going into a winter with no unused capacity. Winter, as everyone in the transportation knows, means lowered operating efficiency. There is only one way to meet this situation and that is through increased utilization of existing equipment and facilities--by tightening up on transportation performance all along the line."

Transportation performance *can* be tightened up and the customers of the railroads can help. The president of one large food packing firm was on the right track when he sent the following instructions to 60 plants and branches throughout the United States:

"You must unload cars the same day received and if you cannot reload them, notify your railroad agent promptly so that there will be no delay in placing the cars back in operation. You must clean cars at once after unloading and thereby save car days that are lost when cars are sent to yards for unloading debris. You must not permit cars to stand idle. If necessary, transfer help from other work. In all events, avoid holding cars over the week-end."

By General Order No. 18, the Office of Defense Transportation required maximum loading of cars handling carload shipments of freight. Shippers quickly responded to the mandate of that order. Shippers have organized car-efficiency committees to insure prompt loading and

have organized car-efficiency committees to insure prompt loading and unloading of cars and to police all other matters affecting efficient car utilization during the time cars are in the hands of shippers.

Government also can and is helping

Last July, the War Food Administration acted to prevent holders of canned goods, flour, dry cereals, and certain other "semi-perishables" from placing these commodities in cold-storage warehouses--space in which is scarce in many cities. Because of the increased warehouse space thus made available for really perishable goods, such as fresh meats and butter, incoming refrigerator cars nowadays are being freed much more quickly into useful movement, and congestion of yards and sidings has been avoided.

Vast quantities of food and other agricultural commodities are moving to port every day for shipment to our allies. To avoid congestions at port cities, the shipping agencies of the Government insist on having assurances before a train is dispatched to port that (1) storage space is available or that (2) a ship is docked that can be loaded promptly. As a result of these precautions, the average time cars wait for unloading lend-lease foodstuffs is only a little over 3 days--much below the average for all freight combined.

More To Be Done

All such measures help, but more needs to be done. Excessively circuitous routings must be eliminated; shipments must be spaced well to avoid piling up at destination; cars must be loaded to capacity--even beyond the requirements of ODT Order No. 18, if possible.

Each segment of the food industry has been asked to prepare for the consideration of the Office of Defense Transportation, prior to the end of 1943, a well-studied voluntary plan designed to decrease over-all ton-mile requirements during 1944 by at least 10 percent. In the event it is found impracticable to achieve a 10 percent reduction in ton-miles the reasons therefore, together with what it is felt can be accomplished, are to be fully outlined.

There are those who feel that compulsory regulation of transportation, with priorities, zoning, etc., represents the only solution to the problem that lies ahead. The War Food Administration does not agree with that thinking, and believes that voluntary measures will do the job. They *will* do the job if the carriers, the shippers, the receivers of goods cooperate to eliminate wasteful use of shipping.

We are now entering winter, the cold, tough operating season when "hog heads" sometimes are on the road until the "16-Hour Law" gets them, when car knockers in mackinaws look twice at journal boxes, when section men spend chilly hours picking the ice out of switch points. But if we all recognize the seriousness of the railroads' problem, we can keep the food moving.

CIVILIANS TO GET MORE CANNED PEACHES

Civilian supplies of canned peaches will be increased by about 750,000 cases before long. The peaches will reach some retail markets within a few weeks--about the time that fresh deciduous fruits are in lowest supply. The peaches will be made available through the release of part of the supplies owned and held by canners, but set aside for Government purchase.

In setting aside quantities of canned foods for direct war needs, canners hold a specified quantity as a basic reserve and an additional quantity as a contingency reserve to meet unexpected requirements. These are released after war needs for particular quantities have been met.

This release of canned peaches is the second time the Government has been able to release additional supplies of this commodity to civilians. On November 2, the Food Distribution Administration announced the release of 900,000 cases of canned peaches.

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USDA SEES THREAT IN GIFTS FROM ABROAD

With the discovery of many serious insect pests in the packing of gifts and other parcels coming from service men abroad, the U. S. Department of Agriculture urges the immediate burning of all packing material in these packages.

If allowed to escape, the insects and insect eggs stowed away in this packing material may cause new flare-ups of pests, such as the Mediterranean fruit fly, that has been wiped out in the continental United States at a cost of millions of dollars. Packages also may introduce new pests comparable to the Japanese beetle and the white-fringed beetle that are now plaguing both city people and farmers in the East and South.

The danger in these packages is shown in the discovery of hundreds of living pink bollworms in packages coming through such widely scattered ports as Baltimore, New York, Philadelphia, and Houston. Many of the packages examined in the northern ports were on their way to families living in the Cotton Belt. The United States is the only big cotton country not generally infested with the pink bollworm, an insect capable of doing as much damage as the boll weevil, if not more.

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Iowa in 1943 produced 81,600,000 pounds of popcorn out of a total national production of 150,724,000 pounds.

PAYMENTS ANNOUNCED

ON PROCESSED GRAPEFRUIT

The Commodity Credit Corporation will pay processors of canned grapefruit juice the amount of the increase in prices to growers of the civilian portion of the 1943-44 pack, the War Food Administration announced recently. The program, approved in a directive issued December 14 by the Director of Economic Stabilization, is designed to permit an average price of \$32.50 per ton to Florida and Texas growers, and an average of \$28.50 per ton to California and Arizona growers. These prices are on an "on tree" basis.

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CATSUP RELEASED

FOR CIVILIAN USE

Civilian supplies of canned goods will be augmented soon by nearly a million cases of tomato catsup, the War Food Administration said recently. The catsup is being released from specific reserves held and owned by canners but set aside by them for Government use.

This release, the second to be made in recent weeks, will make available an additional 990,000 cases (basis #2 cans) of catsup to civilians. This will make a total of 1,800,000 cases that have been released recently to civilians from Government set-aside reserves. Changes in Government requirements made possible the releases, officials said.

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FREEZE ORDER ON

SAUERKRAUT ENDED

In line with its policy of making available to all civilians all food supplies not actually needed to meet direct war requirements, the War Food Administration has terminated its "freeze and set-aside order" on sauerkraut, thereby making all remaining supplies and the rest of this season's sauerkraut pack available for civilian consumption. Supplies of sauerkraut made available to civilians will be marketed by packers in wooden barrels and kegs; no tin nor glass have been allocated for packaging this commodity.

Food Distribution Order No. 84, the regulation that required all stocks of sauerkraut in the hands of packers since October 12 to be set aside for Government purchase, was terminated when the Office of the Quartermaster General advised the War Food Administration that the "freeze order" had served its purpose in assisting the armed forces to obtain their requirements.

Civilian supplies of kraut will be much smaller than usual.

THOSE RUMORS ABOUT DRIED EGGS

. . . . By W. D. Termohlen

You undoubtedly have heard some of the rumors about dried eggs.

During the past few months you may have heard that the British people can't stand the sight of dried eggs; that the British are not buying all the eggs they agreed to buy; that a big percentage of dried eggs shipped are spoiling in transit or in British warehouses. It all sounded pretty bad.

What are the facts?

Consumer acceptance of dried eggs by the British is complete. The British Food Ministry literally has built its war food program around this product.

These facts I have confirmed personally.

I went to England a few weeks ago to see if there was any foundation to the rumors that were going the rounds. While in England I talked with consumers in the dock districts of London, the manufacturing sections of Birmingham, the coal-mining area of Wales. Consumers in all parts of the Island told me--"We can't do without American dried eggs."

Bakers

Commercial bakers, food manufacturers, restaurant operators had much the same story to tell. Many of them assured me that they would have been unable to stay in business had it not been for dried eggs arriving on time and in adequate quantities from the United States.

It should be emphasized that the Food Distribution Administration is not trying to "sell" the British on American dried eggs. That is not a proper function of the Food Distribution Administration. It just happens that dried eggs are a vital part of the United Nations over-all food program and when there is a suspicion that that part is falling down in some respects, an investigation is called for.

When it comes to a selling job, the British Food Ministry--through its nation-wide program of consumer education--is doing very well without any help from this country. The educational program has continued over a period of several months and through it British food manufacturers and housewives have been told about dried eggs, what they mean to the war food program, and how they can be used. Recipes for dried eggs have been supplied and other information has appeared from time to time in newspapers and magazines. Consumer education also is being carried on by "Food Flashes" in British "cinemas" and by special radio programs.

A reduction in the price of the household package has placed the product within reach of more people and this has helped provide a broader outlet. The package was reduced from one shilling ninepence (about 38 cents) to one shilling threepence (about 26 cents). The British food subsidy program makes this low price possible.

At the present rate of rationing, each British adult may have a 5-ounce package--equivalent to one dozen eggs--each 4-week period and children two packages each per 4-week period. As a special Christmas gift, the allotment was doubled for December and January.

In addition to the 5-ounce household package, dried eggs are shipped in 14-pound containers. This package is for military use and for distribution to bakers and other food manufacturers and dispensers using larger quantities of the product. Both types of packages, incidentally, are considered by British handlers, warehousemen, wholesalers, and retailers to be the best of any in which foodstuffs are being received from the United States.

So much for British consumer acceptance of our dried eggs. Now how about the rumor that the British aren't buying all the eggs they agreed to buy?

Here are the facts?

British Wanted More

The British have wanted to take more dried eggs than the allocations provided, and in view of reductions in the requirements of other claimant groups, it has been possible to comply with the British request. The British Food Ministry thus is in the position of wanting more of the product rather than less and very apparently does not consider importing shell eggs under any circumstances.

The British are now using dried eggs from the United States at the rate of about 134 million pounds a year. It is expected, since they will depend heavily upon dried eggs as a source of animal protein, that they will use at least the same quantity in 1944.

How about the rumor of excessive spoilage of our dried eggs in transit or in storage?

Here are the facts on that one:

British Food Ministry officials report that the loss of American dried eggs in transit or in British warehouses is infinitesimal. The very small losses that have occurred include eggs that were not usable because of off-flavor.

There are three rumors--none of them true. How they ever started, nobody knows for sure. Certainly they didn't originate with the British.

It is just possible that a Food Distribution Administration announcement issued in early October had something to do with the wild stories that eventually got around. That announcement gave egg drying plants the privilege of voluntarily applying for cancellation of up to 50 percent of their November, December, and January delivery contracts.

On the surface, it looked as if the FDA were permanently retrenching on the manufacture of dried eggs. What had actually happened was this: Requirements for some of the liberated areas turned out to be much smaller than was expected earlier. That left the FDA with enough dried eggs to meet *actual* requirements for a time without pushing egg drying plants to maximum capacity. It should be emphasized that nothing in our dealings with the British prompted the FDA to make its announcement.

The FDA is now accepting offers of dried whole eggs for February delivery. This program is intended to operate until a complete purchase program for 1944 can be formulated. The temporary program, in the meantime, will help absorb supplies of shell eggs, which are increasing seasonally.

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CHEDDAR CHEESE

SET ASIDE UPPED

Production of Cheddar cheese will begin its seasonal upswing in January and February and manufacturers will be required to set aside 30 percent of their output during these two months to meet essential war requirements. The set-aside percentage for November and December, the months when cheese output is normally lowest, was 25 percent of production--the smallest required since the set-aside program was initiated in February 1943.

Under the new set-aside percentage, the share for civilians will be about 30 million pounds a month, or approximately the same quantity they have been receiving. In addition to Cheddar cheese, civilians receive almost all of the other types of cheese produced, bringing their total supply to about 45 million pounds a month.

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West Coast packers have been authorized to release 142 million pounds of dried raisins and prunes from their 1943 production for sale to civilians through regular trade channels. The released quantities include 60 million pounds of raisins and 82 million pounds of prunes.

This release makes a total of 280 million pounds of raisins and 230 million pounds of prunes released to civilians from the 1943 packs. The 1943 pack of raisins is expected to reach an all-time high of 690 million pounds, and prunes about 400 million pounds--slightly less than the average production of prunes during the past 10 years.

SLIGHT INCREASE REPORTED IN ALLIED FOOD DELIVERIES

Food and other agricultural commodities delivered to shipside during October for export mainly to the British and Russians totaled 1,115,000,000 pounds. This compares with September deliveries of 1,099,000,000 pounds and January-September deliveries averaging about 935,000,000 pounds per month.

Smaller deliveries than in September of dairy and poultry products, meats, fats and oils, fruit and fruit products, grain and cereal products, vitamins and non-foodstuffs were reported. But these were more than offset by larger deliveries of sugar, fish, vegetables, seeds, and soya products.

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DEHYDRATED IRISH POTATOES REMOVED FROM SET-ASIDE LIST

Irish potatoes have been removed from the list of dehydrated vegetables reserved for war needs because prospective supplies appear ample to meet all Government requirements. Dehydrated beets, cabbage, onions, and rutabagas remain on the reserved list and processors are still required under Food Distribution Order No. 30 to set aside their production of these four products for military, lend-lease, and essential civilian needs.

Though future production of dehydration Irish potatoes may be released to civilians, processors are required to continue holding the stocks on hand on December 1 for delivery to the Government or alternative disposition by the Director of Food Distribution.

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Because of very large shipments of feeder lambs into the Corn Belt and into some Western feeding areas, the lamb feeding situation has changed considerably from what was indicated earlier. The total number of lambs fed this season is expected to fall short of that of a year earlier, but the reduction will be much less than seemed probable only a month ago.

R. R. Slocum has retired as chief of the Food Distribution Administration's dairy and poultry standards and facilities work after completing 35 year's service with the U S. Department of Agriculture. Mr. Slocum has been a national leader in dairy and poultry standardization.

He will be succeeded by Melvin W. Buster, who has been in the Department since 1937. Buster is a graduate of the University of California.

CROP PRODUCTION IN 1943 MAINTAINED AT HIGH LEVELS

In a year-end round-up of production, the Crop Reporting Board finds that farmers can be proud of the job they turned in in 1943. Crop production in the United States was 6 percent less than in 1942 but nearly 5 percent more than in any previous season. Compared with the average of the five moderately favorable seasons, 1937-41, the acreage of the principal crops harvested was up 4.5 percent; yields per acre were up an average of 5 percent; and aggregate production of the 53 principal crops, including fruits, was up 9 percent.

Farmers and their families worked more hours per week and more Sundays than in any year known to this generation. Much of the extra help has been unskilled, but farm operators have worked more efficiently than every before. Town people have helped where they could. Imported workers, prisoners of war, soldiers on furlough, and city volunteers have all helped to meet emergencies. Shortages of equipment, parts, gasoline, tires, and packages have threatened breakdowns at times, but, in the main, the tractors, harvesting machines, and trucks were kept rolling and the near-record crops have been put under cover.

Estimates for 1943 show record production of potatoes, beans, peas, soybeans, peanuts, rice, and various minor crops, including nuts, hemp, and some commercial vegetables, particularly snap beans, carrots, and lettuce. The orange crop now on the trees also is very promising and with average weather the production of oranges and of all citrus crops as a group should exceed all previous records. Crops or groups of crops which have been exceeded only a few times in past years include corn, barley, sorghums for grain, all grains as a group, all hay crops combined, and vegetables for processing. The list of crops that are not far from usual production, excluding drought seasons, includes wheat, oats, tobacco, sweetpotatoes, and various less-important crops such as maple sirup, prunes, and cranberries.

Buckwheat was substituted for some oats that could not be planted in season and production was larger than in other years since 1934, but far below production in earlier decades. Sugar production will probably be a little below average. The cotton crop was smaller than usual, but there is no shortage of supplies. About the only other crops that were materially below average in production were the deciduous fruits--apples, peaches, pears, apricots, and cherries--reduced chiefly by late frosts in the eastern half of the country, some seed crops affected by the weather, and rye and cowpeas which were extensively displaced by crops more in demand because of the war.

In addition to producing these crops a substantial part of the effort to increase food production was devoted to livestock. Aggregate production of sheep, cattle, hogs, poultry, eggs, and milk will be 8 percent more than last year, and 31 percent more than in the 1937-41 period.

WFA RELEASES 440,000 CASES OF CANNED PORK AND BEANS

The War Food Administration announced on January 1 that it would soon release about 440,000 cases (approximately 20 million pounds) of canned pork and beans to civilian consumers. This food, in heavy demand throughout the country, should reach retailers within the next few weeks.

These canned beans are being offered to packers from whom they were originally purchased on the basis of a 15-day option to buy. If the packers do not offer to purchase at acceptable prices during the option period, the remaining stocks will be offered for sale on an open bid and acceptance basis.

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WFA ISSUES STATEMENT ON STORAGE HOLDINGS

In a statement on food stored in the United States, the War Food Administration recently pointed out that such stocks fall into three categories. The largest consists of food privately owned for distribution to civilians. The second includes stocks owned by the armed forces. The third is made up of food controlled by the War Food Administration for ultimate shipment to our allies, for emergency use by the armed forces, for Puerto Rico and Hawaii, for the Red Cross, and other purposes.

By far the largest portion of the total quantity of food in commercial storage in January is privately held for distribution to civilians. The large stocks now in storage partly reflects a record food production, careful harvesting, and efficient processing; it is an important backlog for civilian consumers in view of the fact that a large number of foods are produced only during certain parts of the year. January, February, March, and April are the low food producing months of the year, particularly in the case of annual crops.

As for food stocks held by the War Food Administration, careful watch is maintained to avoid spoilage. Inspectors make frequent checks and the entire stock position is reviewed at least every 10 days. Since the beginning of the lend-lease program in March 1941 to December 1943, losses of WFA-controlled food due to spoilage amounted to 2/100 of one percent of total purchases--equivalent to a loss of less than \$1 on every \$5,000 of purchases.

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The University of California reports that guavas, the fruit of a neglected tropical shrub, are so rich in vitamin C that a little over 4 ounces of dried guavas would protect an Arctic explorer from scurvy for almost 3 months. Very little vitamin C is lost in cooking the fruit.

- PERTAINING TO MARKETING -

The following reports and publications, issued recently, may be obtained upon request. To order, check on this page the publications desired, detach, and mail to the Food Distribution Administration, War Food Administration, Washington 25, D. C. No letter is required.

Addresses

Meeting the Nation's Wartime Nutrition Problem. December 15, 1943.
7pp. (processed) By Roy F. Hendrickson

Vegetables for War--and Peace. December 14, 1943. 11pp. (processed)
. By Roy F. Hendrickson

Butter Outlook for 1944. December 14, 1943. 12pp. (processed)
. By Tom G. Stitts

Reports

The Farmer Grades His Meat. AWI-69. September 1943. 21pp.
(printed)

Reducing Food Waste in Retail Stores. November 1943. 16pp.
(processed)

Nutrition Education in the Elementary School. NESP-1. August 1943.
35pp. (printed)

Use by the Cotton Industry of the Fiber and Spinning Testing Service.
December 1943. 5pp. (processed)

A List of Publications Relating to Food. December 1943. 3pp.
(processed)

Results of Food Conservation Test Campaigns. October 1943. 3pp.
(processed)

Marketing Florida Citrus, Summary of 1942-43 Season. October 12,
1943. 82pp. (processed)

Information for Public Speakers on Food Waste. October 1943. 21pp.
(processed)

Uncle Sam Says: Cut Spoilage Losses. Chart 14" x 20".

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